

Information Request – Legislative Finance Committee

The following information is in response to an information request we received on November 23, 2005 from the Legislative Fiscal Division at the request of the Legislative Finance Committee. This response pertains to an update on the Medicare Modernization Act. On November 28th Gail Briesse-Zimmer met with Lois Steinbeck and identified the following topics for update and information.

MMA: The committee has already received the Top 10 questions and Lois would like the following updates/information:

1. What is the experience with enrollment? Are people coming to the public assistance offices?
2. What are the SHIP programs experiencing/seeing?
3. Where are the institutions at for signing up?
4. Is the dept doing anything for the MHSP population?

Medicare Modernization Act (MMA)

Beginning November 15, 2005 Montanans who are eligible for the new Medicare Part D prescription drug coverage are able to choose from among 47 different plans, including seven Medicare Advantage plans. Medicare beneficiaries can enroll in the Part D plan of their choice regardless of income, health status, or prescription drug needs. If Medicare beneficiaries join a plan by December 31, coverage will begin Jan. 1, 2006. If Medicare beneficiaries wait until after December 31, coverage will be effective on the first day of the month after the month they join.

What is the experience with enrollment?

Enrollment is completed through the individual Prescription Drug Plan (PDP), or through an on-line enrollment tool at www.medicare.gov, or by calling 1-800-Medicare.

Medicare beneficiaries do not enroll for the Medicare Part D benefit at the local county Office of Public Assistance (OPA). However, OPA offices are educated and informed of the new Medicare Part D benefit and are prepared to provide information and assistance for our full benefit dual eligible clients. Specifically to provide general information regarding the Part D program, and explain changes in the drug benefits under the Medicaid program.

Are people coming to the public assistance offices?

People are not coming to the OPA offices for enrollment in the Medicare Part D program. However, clients that are eligible for both Medicare and Medicaid, the full benefit dual eligible, have contacted the OPA offices to inquire about the impending changes and the documents they have received from SSA and CMS. Telephone calls have increased recently at the OPA offices from clients with questions about their auto enrollment letter they received from CMS in mid November. Comments that OPAs are hearing or experiencing in terms of Medicare Part D are: Confused, angry, overwhelmed seniors with no computer expertise or availability. Some threw away all related mail (including the yellow notice of auto enrollment by CMS).

Some Montanans have brought their application they received from SSA for the “extra help” for the low-income subsidy (LIS). To date approximately 20 applications have been received at the county offices to be mailed to SSA. This is consistent with the policy implemented in June 2005. To date no one has requested a state determination of the LIS for extra help.

OPA offices are doing all they can for the full benefit duals and clients enrolled in Medicare Saving Programs to answer questions, identify the plans they have been auto enrolled, review plan formularies to identify whether or not their drugs are covered in the plan formularies, and referring clients to family members or SHIP programs if they need additional assistance.

What are the SHIP programs experiencing/seeing?

In recent months, the Montana SHIP/Aging Network has focused on three significant and essential activities related to the coming Medicare Prescription Drug Benefit:

1. Staff Training and Preparation
2. Partnerships and Collaborations
3. Local community education and outreach

Since mid-October, SHIP’s emphasis has been to provide one-on-one counseling and plan comparison. Each of Montana’s (10) Area Agencies on Aging, as well as our partners in the community, are proceeding with enrollment events and rendering whatever assistance they are able with the funds available to them.

Staff at the State Office on Aging and staff from CMS Regional-Denver support these activities in a number of ways including but not limited to:

- Technical Assistance
- Funding Issues
- Training
- Research / Rules

There have been some difficulties. This type of outreach is intensive and often requires significant travel. The funds for travel are often very limited at the local level, and may result in the most isolated citizens being under-served. Unfortunately, funding for this campaign is overall, inadequate.

The difficulty at hand is the inaccuracy of the “Plan Finder” which is the on-line plan comparison database at www.medicare.gov. This online data base and 1-800-MEDICARE are the only consumer resources available for plan comparison, and therefore must be accurate for counseling to have integrity and credibility.

Where are the institutions at for signing up with a plan?

Personnel in the Department's six institutions (Montana Veteran's Home--Columbia Falls, Montana Mental Health Care Center--Lewistown, Montana Developmental Center--Boulder, Montana Chemical Dependency Center--Butte, Eastern Montana Veteran's

Home--Glendive, and the Montana State Hospital--Warm Springs) are assessing each of their resident's Medicare status and evaluating prescription drug plans for resident suitability. Staff members are also assisting residents to apply for SSA's Extra Help and Big Sky Rx, if applicable, and assisting residents with enrollment into prescription drug plans.

Several State facilities utilize a volume-purchasing contract for prescription drugs via a contract with McKesson Medication Management. Facilities included in this contract are the Montana Developmental Center--Boulder, Montana Chemical Dependency Center--Butte, and the Montana State Hospital--Warm Springs. The Department presented a draft contract amendment to McKesson Medication Management. The amendment specifies that McKesson will provide point-of-sale billing for residents of these institutions, including to Medicare Part D prescription drug plans and other payers. McKesson's legal staff is currently reviewing the draft amendment.

The Department contracts with the Veterans Administration at Fort Harrison to provide prescription drug services to residents at the Montana Veteran's Home in Columbia Falls. Current practice is that the Department pays the Veterans Administration for prescription drugs dispensed to residents and then the Department's Fiscal Services Division recovers costs from residents' payers. This arrangement will continue as the Veterans Administration does not bill Medicare and to date has received no guidance on billing Medicare Part D prescription drug plans. At the Eastern Montana Veteran's Home in Glendive clients receiving prescriptions under the VA aid and attendance will continue to be provided through the VA benefit. Prescription for other clients are being provided through the Glendive Medical Center and the hospital will bill drugs plans, Medicaid, and other payers as appropriate.

The Montana Mental Health Center in Lewistown operates its own pharmacy under contract with the Central Montana Medical Center. The contract provides for pharmacy services to serve the facility population of approximately 152 patients. The facility is working with systems staff to implement a point of sale billing system to bill prescription drugs directly to PDP's, Medicaid, and other payers. In addition the facility has contacted the 11 drug plans that full benefit dual residents have been auto-enrolled. All the drug plans have been contacted via email for contracts to bill for prescription drugs directly to the drug plans. To date five contracts have been received and are being reviewed by legal services in Helena. Two plans have given no response, MEDCO and Unicare. Medco also identified a \$100 application fee that we are investigating with CMS. Four plans are with Walgreen and the facility is reviewing the agreements. These plans include United Healthcare, which has United Health Rx, AARP Medicare Rx, United Medicare Med Advance and WellCare Health Plans. The facility is still trying to contact Humana and Silver Script Insurance.

What is the dept doing for the MHSP population?

MHSP's policy is that people with MHSP and Medicare will enroll in a Medicare Part D prescription drug plan. Most MHSP beneficiaries will be eligible for the Extra Help through the Social Security Administration (both programs have 150% FPL eligibility limit). MHSP will provide wrap-around benefits for prescription drugs needed for mental health treatment for people who do not qualify for Extra Help or who qualify for only a partial subsidy. Prescription drug benefits through MHSP will continue to be capped at \$425 per month.

AMDD sponsored a MetNet on October 28 on Medicare Part D, Extra Help, and Big Sky Rx. The broadcast was available in 19 cities and was attended by more than 100 mental health case managers and other interested parties. A follow-up telephone conference will be held in December to address questions case managers have as they assist MHSP beneficiaries.

Case managers with all mental health centers are assisting MHSP beneficiaries to apply for Extra Help and Big Sky Rx, if applicable. Each mental health region has funds to provide emergency assistance for prescription drugs for MHSP beneficiaries if needed during the transition.